STATEMENT OF THE CLAIMS

- 1. (previously presented) A point-of-sale commercial transaction processing system for processing a customer transaction based upon a verbal instruction from the customer, comprising:
- a) a first customer interaction terminal (CIT) adapted to receive the verbal instructions from a customer and convert the verbal instruction into an audio signal;
- b) an artificial intelligence (AI) system which receives said audio signal and semantically processes said audio signal to at least partially recognize the verbal instruction from the customer, said AI system adapted to parse the verbal instructions using grammatical syntax; and
- c) a human-controlled response system in communication with said AI system and adapted to intervene with said AI system when said AI system has not satisfactorily semantically processed the verbal instruction from the customer to make corrections such that control of transaction processing can be returned to said AI system during the transaction so that said AI system can further interact with the customer through said CIT.
- 2. (original) A transaction processing system according to claim 1, wherein:
 said first CIT includes a microphone which receives the verbal instruction.
- 3. (original) A transaction processing system according to claim 1, wherein:
 said first CIT is adapted to provide to the customer at least one of an audio and
 video confirmation that the verbal instruction was recognized.

17. (previously presented) A transaction processing system according to claim 1, wherein:

said human-controlled response system is located in a different building relative to said first CIT and said first computer system.

- 18. (original) A transaction processing system according to claim 1, further comprising:
- d) a second CIT in communication with said first computer system.
- 19. (original). A transaction processing system according to claim 1, further comprising:
- d) a second computer system in communication with said response system; and
- e) at least one CIT in communication with said second computer system.
- 20. (currently amended) A method of processing a commercial transaction, comprising:
- a) providing an interactive terminal;
- b) eliciting a verbal instruction from a customer to the interactive terminal;
- c) recording the verbal instruction;
- e) d) upon receiving verbal instruction from the customer to the interactive terminal, semantically processing the verbal instruction with artificial intelligence (AI) routines, said AI routines adapted to parse parsing the verbal instruct instruction using grammatical syntax for interaction with the customer and transaction processing; and
- d) e) upon determining by the AI routines or the customer that there is a problem in said semantic processing, transferring the <u>recorded</u> verbal instruction to a human for intervention in the processing.

- 50. (previously presented) A method according to claim 49, further comprising:
 returning control from the human to the AI routines for interaction with the customer
 and transaction processing.
- 51. (canceled)
- 52. (previously presented) A method according to claim 31, further comprising: returning communication to between the AI processor and the customer.
- 53. (currently amended) A point-of-sale commercial transaction processing system for processing a customer transaction based upon a verbal instruction from the customer, comprising:
- a) a first customer interaction terminal (CIT) including a microphone, a speaker, and a video display on which a character is animated, all for two-way interaction with the customer, and a payment system;
- b) an artificial intelligence (AI) system which communicates with the customer via the animated character and which is adapted to semantically processes semantically processes verbal instructions from the customer using grammatical syntax; and
- c) a human-controlled response system adapted to intervene that intervenes in the transaction when said AI system has not satisfactorily semantically processed the verbal instruction, said human-controlled response system continues to communicate communicating with the customer via the same animated character on the video display after intervening in the transaction.

- 54. (currently amended) A method of processing a commercial transaction with a customer at a customer interaction terminal (CIT) including a payment system for receiving customer payment for the commercial transaction, said processing based upon a verbal instruction from the customer, comprising:
- a) with artificial intelligence (AI) routines, parsing the verbal instructions from a customer for a point-of-sale commercial transaction using grammatical syntax;
- b) upon determining that there is an error in the parsing, making corrections with a human-controlled response system in communication with said AI routines; and
- c) returning control to the artificial intelligence routines for parsing of additional verbal instructions from the customer during the same transaction; and
- d) during the transaction, accepting at the payment system cash, credit card or debit card.
- 55. (new) A method of processing a commercial transaction with a customer, comprising:
- a) at a customer interaction terminal (CIT) located at a first location, said CIT including an artificial intelligence (AI) processor, a display, a microphone, and a payment system, receiving a verbal instruction from the customer at the microphone;
- b) recording the verbal instruction;
- c) the AI processor parsing the verbal instruction using grammatical syntax;
- d) the AI processor communicating with the customer by at least animating a character on the display of the CIT;

- e) transferring the recorded verbal instruction to human support located at a second location different from said first location; and
- f) the human support providing support for communication between the AI processor and the customer so that the commercial transaction can be completed.
- 56. (new) A method according to claim 55, wherein:

upon said transferring, the human controlled response system at least one of completes, corrects and verifies communication between the AI processor and the customer.

57. (new) A method according to claim 54, wherein:

the human controlled response system provides support by interacting with the customer.

58. (new) A method according to claim 57, wherein:

said interacting is via the animated character on said display.